



County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 13, 2003

To: Supervisor Yvonne Brathwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

STATE LEGISLATIVE UPDATE

Senate Budget Subcommittee Hearing on Mental Health

On Monday, March 10, 2003, the Senate Budget Subcommittee No. 3 on Health and Human Services heard a variety of mental health issues, including the Governor's Realignment Proposal to transfer Children's System of Care and Integrated Services for Homeless Mentally Ill to counties. On a 4-0 vote, the Subcommittee rejected the Governor's Realignment proposal on these mental health issues. Senate Budget Chair and Subcommittee #3 Chair, Senator Chesbro, stated that this action will lead to a "level playing field to begin overall restructuring/realignment discussions."

Pursuit of County Position on Legislation

SB 125 (Chesbro), as introduced on February 5, 2003, would add county welfare fraud investigators and inspectors to the list of those eligible for public safety workers' compensation disability benefits. Traditionally, this benefit has been extended to public safety employees, including law enforcement officers and firefighters, whose jobs require that they be prepared to sacrifice their own safety to protect the public. Current State law entitles welfare fraud investigators to temporary disability payments at two-thirds of their salary up to a maximum of \$602 per week. SB 125 would provide a tax-free, full salary benefit to these employees.

The CAO Risk Management Division indicates that SB 125 exposes counties to additional costs because, unlike temporary disability payments, there is no maximum weekly rate of payment. Additionally, this is a tax free benefit that provides a higher income while the employee is disabled than when the employee returns to work. Data provided by counties to the California State Association of Counties suggest that disability time is virtually doubled because of the tax-free nature of this benefit. Based on Los Angeles County's experience with workers who received this enhanced disability benefit, the additional County cost to implement SB 125 could exceed several hundred thousand dollars per year. **Therefore, we recommend that the County oppose SB 125.** Opposition is consistent with existing Board policies to oppose legislation that would increase the classes and numbers of employees who are entitled to this benefit, and to oppose unfunded mandates.

SB 125 is sponsored by the author and there is no registered support or opposition. The measure is awaiting a hearing date in the Senate Labor and Industrial Relations Committee.

SB 469 (Scott), as introduced on February 20, 2003, authorizes a school district to use its allowance from the Instructional Materials Funding Realignment Program to purchase instructional materials for the visual and performing arts, foreign language, and health, if it certifies that it has provided each pupil with standard text books or basic instructional materials in reading/language arts, mathematics, history/social science and science.

The Los Angeles County Arts Commission indicates that SB 469 would support the Commission and its leadership partners in implementing the "Arts for All: Los Angeles County's Regional Blueprint for Arts Education" that was adopted by the Board on August 6, 2002. It would provide Los Angeles County school districts with a source of funding to purchase the textbooks, materials, and assessment tools to support instruction in the arts. **The Los Angeles County Arts Commission recommends that the County support SB 469, and we concur.**

SB 469 is sponsored by the author and is supported by the California Alliance for Arts Education and the California State PTA. There is no registered opposition. SB 469 is awaiting a hearing date in the Senate Education Committee.

SB 629 (Soto), as introduced on February 21, 2003, would provide a presumption of job-relatedness to licensed health care professionals who develop a blood-borne infectious disease, thereby entitling them to receive workers' compensation or disability retirement benefits if they contract a blood-related or infectious disease.

Under current law (without a statutory presumption) a worker is entitled to workers' compensation benefits if the overall evidence indicates the medical condition was caused by the employment or is the result of an exposure to infectious disease in their employment. Each case must be decided based upon the specific facts. Current law also provides that, for certain firefighting and law enforcement personnel, the term "injury"

includes a blood-borne infectious disease that develops while in governmental service, contraction of the disease is presumed to be job-related and the employee is entitled to receive workers' compensation and/or disability retirement benefits. SB 629 would apply this definition of "injury" to licensed health care professionals.

The CAO Risk Management Division indicates that if SB 629 became law it could result in several additional workers' compensation claims each year that are ruled to be work-related based on the new presumption. The increased annual workers' compensation cost could approach \$500,000. **Therefore, we recommend that the County oppose SB 629.** Opposition is consistent with Board policy to oppose legislation that would expand statutory presumptions to new and different work groups or to new and different medical conditions.

SB 629 is sponsored by the California Independent Public Employees Legislative Council. There is no registered support or opposition. SB 629 is set for hearing in the Senate Health and Human Services Committee on March 26, 2003.

SCR 5 (Scott), as introduced on January 23, 2003, declares the Legislature's acknowledgment and support of standards-based instruction in the visual and performing arts in all California public schools, pre-kindergarten through grade 12.

The Los Angeles County Arts Commission indicates that SCR 5 acknowledges the importance of a quality arts education by increasing the expectation that school districts should be providing instruction based on the visual and performing arts standards. It also provides a framework of support at the state level for moving forward arts education in school districts throughout Los Angeles County, strengthens the position of arts education in the County and, provides leverage for the Arts Commission and others in working with districts to adopt arts education policies. **The Los Angeles County Arts Commission recommends that the County support SCR 5, and we concur.** Support is consistent with Board adoption on August 6, 2002 of "Arts for All: Los Angeles County's Regional Blueprint for Arts Education."

SCR 5 is sponsored by the author and supported by the California Alliance for Arts Education and the California State PTA. There is no registered opposition.

SCR 5 passed the Senate Education Committee on March 12, 2003 on a unanimous vote and now proceeds to the Senate Floor.

San Gabriel Valley Legislative Caucus Meeting

At the request of the San Gabriel Valley Legislative Caucus, Interim Chief Legislative Representative Steve Zehner and Jonathan Freedman of my staff, provided an update on the status of the County's health system financing and restructuring at their meeting on March 12, 2003. Caucus Chair, Assembly Member Ed Chavez and Vice-Chair, Assembly Member Robert Pacheco were in attendance as well as staff from about five other offices.

The discussion focused on the status of service reductions and efforts to secure additional revenue streams for the Department of Health Services.

Status of County Interest Bills

County-supported AB 261 (Maddox) passed the Assembly Public Safety Committee on Tuesday, March 11, 2003, on a unanimous vote. This bill would allow the District Attorney the option to charge illegal pharmaceutical dealers with either a misdemeanor or a felony. Supervisor Molina testified before the Committee regarding the need for the flexibility to charge these crimes as a felony because of the significant threat they pose to public health and safety. Amendments were adopted to exempt persons possessing hypodermic needles from felony charges in counties with approved Needle Exchange Programs. AB 261 now proceeds to the Assembly Appropriations Committee. The bill could be placed on the Committee's Suspense File because of potential increased State prison costs.

We will continue to keep you advised.

DEJ:GK
MAL:MS:ib

c: Executive Officer, Board of Supervisors
 County Counsel
 Local 660
 All Department Heads
 Legislative Strategist
 Coalition of County Unions
 California Contract Cities Association
 Independent Cities Association
 League of California Cities
 City Managers Associations
 Buddy Program Participants